THE CITY AND BOROUGH OF JUNEAU, ALASKA

February 11, 2008

MEETING NO. 2008-03: The Regular meeting of the City and Borough of Juneau Assembly, held in the Assembly Chambers of the Municipal Building, was called to order at 7 p.m. by Mayor Bruce Botelho.

I. FLAG SALUTE was led by Mayor Bruce Botelho.

II. ROLL CALL

Assembly Present: Jonathan Anderson, Bruce Botelho, Jeff Bush, Sara Chambers, Bob Doll, Merrill Sanford, David Stone, Randy Wanamaker.

Assembly Absent: Johan Dybdahl.

Staff Present: Rod Swope, City Manager; John Hartle, City Attorney; Laurie Sica, Municipal Clerk; Craig Duncan, Finance Director; Roger Healy, Engineering Director; Marc Matsil, Parks and Recreation Director; Beth McEwen, Deputy Clerk; John Stone, Port Director; Dave Palmer, Airport Manager; Diane Kyser, Custodian; Oney Arguello, Custodian.

III. SPECIAL ORDER OF BUSINESS

A. Employee Recognition

Rod Swope, Marc Matsil and Laurie Sica presented Oney Arguello a certificate of appreciation upon his retirement and thanked him for his excellent work at City Hall to provide safe and clean office space. His presence will be missed by many.

IV. APPROVAL OF MINUTES

A. January 28, 2008 – Regular Meeting 2008-02

Hearing no objections, the minutes of the January 28, 2008, Regular Assembly Meeting 2008-02 were approved.

V. MANAGER’S REQUEST FOR AGENDA CHANGES

VI. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS.

Paula Terrel, Thane Neighborhood Association, said the board is concerned about the proposed hoverbarge going up the channel to the mine. There are some issues that have not been addressed by the operator, Redfern. I was told at the public hearing that the city does not have any purview over their operations because they are water-based only, but they will have an explosive site, and even if there is no opportunity for the city to officially comment, they would like the city to make some comments in the public comment period – open through Feb 21, and address their concerns. She distributed a letter outlining those concerns.

Ethan Billings, spoke personally, as a business owner and as a member of the Alaska Cabaret, Hotel Restaurant and Retailers Association about the smoking ban. He said the smoking ban had a serious impact at his business and the bar business across town was down by 20 – 50%. The ban was hurting not only bars, but other entities including liquor distributors, the taxi businesses and the non-profit groups which rely on pull tab revenues. He understands that it has only been a month that the ordinance is in effect, but this is just the tip of the iceberg.
Mr. Anderson asked Mr. Billings if he knew why sales were down. Mr. Billings said that some patrons had moved to the establishments that were still allowing people to smoke, but the day shifts are down, and the regulars are going outside to smoke and they are that much closer to their cars.

Leann Thomas, downtown business owner, said the city had not done its job regarding the smoking ordinance. She spent a lot of time and energy trying to educate the Assembly and city staff about what this ordinance could do, sat on the smoking task force, and in May 2007, along with other business owners, met with the chief of police, and spoke with Mr. Hartle about anticipated problems, and we were told that everything was covered. In Sept. 2007 we called a meeting with the police and the ABC board again about anticipated problems. To hear these problems were unanticipated was frustrating. The city was not asking the police to enforce this ordinance. She was glad to see the ashtrays put up, but there is no plan to empty them, and one caught on fire. The bar owners and no other businesses were given a key and asked to empty the ashtrays. She said this was a slap in the face as a taxpayer to have the city pass an ordinance that has taken away her business rights, and she has lost business due to this ordinance. The business is not balancing out as predicted with new customers coming in that prefer a no-smoking establishment. She asked the Assembly to do what was right to make this ordinance work.

VII. CONSENT AGENDA

A. Public Requests for Consent Agenda Changes, Other Than Ordinances for Introduction – None.

B. Assembly Requests for Consent Agenda Changes – None.

C. Assembly Action

MOTION, by Anderson, to adopt the consent agenda. Hearing no objection, it was so ordered.

1. Ordinances for Introduction

a. Ordinance 2008-03

An Ordinance Creating Local Improvement District No. 98 Consisting Of Installation Of A Sanitary Sewer System In The Industrial Boulevard Area.

Administrative Report: Attached. The manager recommended Ordinance 2008-03 be introduced and set for public hearing at the next regular Assembly meeting.

b. Ordinance 2008-04

An Ordinance Amending the Land Use Code, Table of Dimensional Standards, Regarding Maximum Lot Coverage in the MU Zoning District.

Administrative Report: Attached. The manager recommended Ordinance 2008-04 be introduced and set for public hearing at the next regular Assembly meeting.

c. Ordinance 2008-05

An Ordinance Renaming, Amending, And Extending The Smoking In Public Places Code.

Administrative Report: Attached. The manager recommended Ordinance 2008-05 be introduced and set for public hearing at the next regular Assembly meeting.

d. Ordinance 2007-21(AF)

An Ordinance Appropriating To The Manager The Sum Of $6,820,000 As Partial Funding For The North Douglas And West Mendenhall Valley Sewer Expansion Projects And The Juneau-
Douglas Treatment Plant Jet Truck & Septage Receiving Facility Improvement Project, Funding Provided By The State Of Alaska Department Of Environmental Conservation.

Administrative Report: Attached. The manager recommended Ordinance 2007-21(AF) be introduced and set for public hearing at the next regular Assembly meeting.

e. Ordinance 2007-21(AR)
An Ordinance Transferring To The Manager The Sum Of $20,013 As Repayment Of Unspent Funds In The West Juneau Park Acquisition Capital Improvement Project, Funding Originally Provided By The Lands Fund.

Administrative Report: Attached. The manager recommended Ordinance 2007-21(AR) be introduced and set for public hearing at the next regular Assembly meeting.

f. Ordinance 2007-21(AS)
An Ordinance Appropriating To The Manager The Sum Of $270,413 In Federal Secure Rural Schools And Community Self-Determination Act Title III Funds, $160,000 Held As Restricted General Fund Balance And $110,413 Held As Restricted Fire Service Area Fund Balance.

Administrative Report: Attached. The manager recommended Ordinance 2007-21(AF) be introduced and set for public hearing at the next regular Assembly meeting.

2. Resolutions

a. Resolution 2436
A Resolution Reestablishing the City and Borough of Juneau Human Rights Commission, and Repealing Resolution 2209.

Administrative Report: Attached. The manager recommended Resolution 2436 be adopted.

3. Bid Awards

a. Bid Award
Auke Bay Loading Facility

Administrative Report: Attached. The manager recommended the Assembly award the bid to Trucano Construction in the amount of $7,076,664.

VIII. PUBLIC HEARING

A. Ordinance 2008-02
An Ordinance Amending The Real And Personal Property Tax Code To Establish Standards For Finding “Good Cause” For A Claimant’s Failure To Make Timely Application For Certain Real Property Tax Exemptions, And Establish A Time Limit For Filing A Late Application.


Public Comment: None.

Assembly Action:

MOTION, by Wanamaker, to adopt Ordinance 2008-02. Hearing no objection, Ordinance 2008-02 was adopted.

B. Ordinance 2007-21(AO)
An Ordinance Appropriating To The Manager The Sum Of $8,142,712 As Funding For Airfield Construction, Terminal Construction, And Equipment Acquisition At The Juneau International Airport, Funding Provided By Passenger Facility Charges.


Public Comment: None.

Assembly Action:

MOTION, by Doll, to adopt Ordinance 2007-21(AO). Hearing no objection, Ordinance 2007-21(AO) was adopted.

IX. UNFINISHED BUSINESS

A. Senior Citizen/Disabled Veteran Real Property Tax Exemption, Late Filed Applications

Senior Citizen/Disabled Veteran Real Property Tax Exemption applications were due in the Assessor's office by March 31, 2007. Alaska Statute 29.45.030(f) and CBJ Code 69.10.020(1)(A) provides, "The governing body of the municipality for good cause shown may waive the claimant's failure to make timely application for exemption and authorize the assessor to accept the application as if timely filed."

1. Late Filed Senior Citizen Applicant: Judith C. Covey, 5B2501370010

Administrative Report: Attached. The manager recommended denial of this request to submit a late filed application as he said it did not meet the test of “good cause.”

Public Comment: None.

Assembly Action:

MOTION, by Wanamaker, to grant Ms. Covey’s request to submit a late filed application.

Mr. Wanamaker requested a “no” vote.

Roll call:
Aye: Sanford
Nay: Anderson, Bush, Chambers, Doll, Stone, Wanamaker, Botelho
Motion failed

2. Late Filed Senior Citizen Applicant: Kenneth L. Wingo, 7B1001100232

Administrative Report: Attached. The manager recommended approval of this request to submit a late filed application as he said it did meet the test of “good cause.”

Public Comment: None.

Assembly Action:

MOTION, by Wanamaker, to grant Mr. Wingo’s request to submit a late filed application. Hearing no objection, it was so ordered.

X. NEW BUSINESS – None.

XI. STAFF REPORTS
Mr. Swope said in response to Paula Terrel’s testimony that staff had reviewed the Redfern application. Unless there was some expansion in operations at their base of operations, there won’t be any requirement for a conditional use permit. Hazardous material use is only reviewed when they are being stored at the final destination. In this case, the materials are in transit, moving from AML freight on the water to the mine site in Canada, so we don’t have any jurisdiction.

Mr. Sanford said there are all types of regulations regarding the transport of hazardous material, performed by federal agencies including the coast guard, so they are not being transported without regulations. It isn’t as if all kinds of materials are going through our community without oversight by various agencies having reviewed the transport of those materials.

Mr. Doll asked if the agencies that do have oversight would benefit from comment from CBJ. Mr. Swope said he did not know.

Mr. Swope asked to speak about the issue of the allocation of the 1% sales tax and asked Mr. Healy to comment.

Mr. Healy said the intent of the attached memo was to provide a guide for the allocation of the 1% sales tax extension voters approved in October 2007. Voter approval gave an annual allocation to five different projects, including the airport terminal expansion, the consolidated public works shop, harbor improvements, sewer expansion and school debt - building maintenance. Mr. Healy’s memo included the staff’s recommendation of how the funds should be distributed over time to accommodate the best interest of the projects. Staff recommended funding the Airport terminal and Public Works shop as soon in the funding cycle as possible to provide as much sales tax in FY09 to the projects in order to secure tax anticipation notes and so that these projects did not lose value due to inflation. Both did not lend themselves well to breaking them into smaller phases, so they need an infusion of funds to make them work. The Harbors allocation is $5 million in FY11. This would match their plans to get through an environmental document on Statter Harbor and then these funds would be available for construction at that point. The Sewer Extension funds have not been allocated until FY11, and the intent is to balance the other encumbrances as well as there are several sewer projects underway now and we have the outlet to apply for DEC loans if needed to cover any potential future shortfalls. By FY11, we will be ready for further construction. Both School Debt and Building Maintenance lend themselves well to annual allocations.

Mr. Anderson asked for the rationale behind anticipated sales tax revenues, and why was FY09 low.

Mr. Healy said FY09 was low as we are only collecting partial year revenue, and the projection is based on sales tax revenues increase over time, and the drop in 2014 is that we are only collecting for a few months.

Ms. Chambers asked how the tax anticipation note concept would work if we encumber against a future year and the funds are not realized to a poor year. Mr. Duncan said it was a good question, and staff had discussed the stock market drop and how that may affect tourism. The Tax Anticipation Note allows CBJ to extend 12 months beyond the current operating year, there is some risk, but we have more sales tax programmed off in the future, so we could make it up with either future revenues or some other portion of the sales tax.

Mr. Bush asked about the end date of the sales tax as there is a different date between the memo and the spreadsheet. Mr. Duncan said the correct end date is September 2013.

Mr. Sanford asked Mr. Healy about the impact this will have on sewers. It has taken three to five years to get the sewer projects on line and he wanted to make sure that we were not losing any ground in the infill situation of the sewer system within the City and Borough. He said if Engineering Department is satisfied with this, he is OK with it but his concern is that they continue to put pipe in the ground every
summer until the work is done and that is a high priority. I understand the difficulty of juggling so many projects, but he wants to caution everyone on staying on track with the sewer projects and to keep putting pipe in the ground each year.

Mayor Botelho asked Mr. Healy to comment on the continuity of the sewer project. Mr. Healy said in relation to construction, they will have in the West Valley the trunk line project out early this year followed by the industrial side streets. Additionally on North Douglas they will have “D” and “F” underway with the construction carrying on through the FY09 construction season. From there on out, they would work on Peterson Hill and then the next step would be West Valley targeted for 2010. He said one of the larger hurdles they have overcome at this point is the assessment method, and with that behind us, the public process will be faster. He doesn’t anticipate that recurring problem holding up the projects.

Hearing no objection, the allocation method presented and attached was adopted.

XII. ASSEMBLY REPORTS

A. Committee Reports

Committee of the Whole: Chair Wanamaker reported that the Committee of the Whole met on February 6 with the Planning Commission and they received an update on the parking garage/transit center project and they gave direction to staff to proceed with the conceptual design. He will poll the City Manager for additional items and schedule future meetings accordingly.

Finance Committee: Chair Stone reported that the Finance Committee will meet on Wednesday, February 13 at 5pm and will then be followed by a joint meeting with the School Board at 6 pm.

Subcommittee on the League of Women Voters Budget Survey: Subcommittee Chair Anderson reported that the subcommittee met with the League of Women Voters Director. They have the general format figured out. They will bring a draft to the Assembly Finance committee. They will present it then, the Assembly will give some feedback and they hope to move forward from there.

Lands Committee: Chair Bush reported that the committee met on February 4. They had a lively discussion on the proposed whale sculpture and they gave staff direction on how to proceed.

Human Resources Committee: Chair Chambers distributed the Human Resources Committee report. The committee received annual reports from the Jensen-Olson Arboretum Advisory Board. The Human Resources Committee recommended the Assembly appoint Mary Mearig, Natalee Rothaus, and Jackie Lorensen to the Jensen-Olson Arboretum Board for three year terms expiring January 31, 2011. Hearing no objection the appointments were made as recommended.

The Human Resources Committee received the annual report of the Parks & Recreation Advisory Committee. The Human Resources Committee recommended the Assembly appoint Thomas Tipps, Alyssa Ellsworth, and Dixie Hood to the Parks & Recreation Advisory Committee for three year terms expiring February 28, 2011. Hearing no objection the appointments were made as recommended.

The Human Resources Committee received the annual report of the Social Services Advisory Board. They are accepting grant applications for the FY09-10 budget cycle and they wanted to remind anyone who may be interested that the deadline for submission of the SSAB applications is 4:30p.m. Friday, February 15, 2008.
The Human Resources Committee also discussed Child Care issues and received testimony from Joy Lyon, Executive Director of Association for the Education of Young Children. The Committee directed Chair Chambers to do some more fact finding and bring that information back to the Human Resources Committee so the committee can decide what direction they would like to go to with this.

**Public Works and Facilities Committee:** Chair Doll reported that the Public Works and Facilities Committee met on Jan 14 and approved two transfers, one of West Juneau Park acquisition money back to the Lands Fund. Another was a minor amount to go towards completing the Centennial Hall marquee sign. They also approved a stormwater research grant funding to develop a practical policy standards and technical guidelines for stormwater management to minimize non-point source pollution in new development projects. The committee also gave its approval to the drafting of a letter of support for the U.S. Forest Service renovation or remodeling of the Auke Village parking and road improvements. The committee will meet again on Feb. 19.

**B. Liaison Reports**

**Juneau Commission on Sustainability:** Liaison Doll reported that the Commission on Sustainability has been continuing its work on the energy chapter for the Comprehensive Plan. It is somewhat more work than they anticipated but they do expect to have it completed this week.

**Parks and Recreation Advisory Committee:** Liaison Anderson reported that the Parks & Recreation Advisory Committee met last week and as was previously reported, they submitted their annual report to the Human Resources Committee earlier in the evening. They also submitted a letter requesting the Assembly increase the Youth Activities funding for the coming year.

**Planning Commission:** Liaison Anderson reported that the Planning Commission would be meeting the next night, Tuesday, Feb. 12, and will be taking up the cottage housing ordinance that was continued from a few weeks ago.

**TEAM (Task force Examining Activities Money):** Liaison Bush said they have been meeting and has a draft floating amongst the membership. They had a meeting earlier in the day, from which Mr. Bush had to leave after an hour and half at which they discussed the draft report. The report is to be finalized in a few days and he anticipates they may have it in time to be discussed at the joint meeting of the Assembly and School Board on Wednesday of this week.

**C. Mayor’s Report**

Mayor Botelho said he had three items to report:

1) He circulated a draft letter addressed to Commissioner Irwin of the Alaska Department of Natural Resources requesting the transfer of corridors with respect to North Douglas crossing. He said he would take any comments to the letter. It is a follow-up to the resolution passed last summer’s identifying our preferred alternatives and this would request both the Vanderbilt and Sunny Point areas.

2) He received a request from the chair of the Docks and Harbors Board for a joint meeting of the Assembly with the Docks and Harbors Board in the near future. For scheduling purposes, he hasn’t identified a particular date but asked if the Assemblymembers would like to try to schedule something before the end of February. Hearing no objection, he will pursue a date before the end of February.

3) He distributed a copy of the text of the email that he had sent the previous week to the School Board President and Superintendent of Schools in terms of the format for the joint meeting scheduled for Wednesday, February 13. His email asks that we receive presentations on the following questions:
A. To be discussed in an informal manner with the school board in a general session.
1. What is the district expecting in “new” money for 08-09?
   How does the district intend to use that money?

2. How is the district adjusting to the continuing enrollment declines in long range planning?
   What are the impacts on future funding?...space utilization?

B. Additional discussions to be considered in three breakout groups, followed by plenary summaries, regarding the following issues:

1. The task force on funding for high school activities has identified $2.2 million as the amount needed annually for funding for activities at JDHS and TMHS. Where do you envision these funds coming from? Assuming contributions from CBJ and the district, how much should come from each?

2. Do you [as a school board member] intend to bring any capital projects forward for the October 2008 ballot? What would these projects be? Under what circumstances, if any, would you [as an assembly member] Support placement of a school bond issue on the ballot?

Mayor Botelho thanked Assemblymembers Sanford and Bush for helping formulate these questions and format for the upcoming meeting.

XIII. ASSEMBLY COMMENTS AND QUESTIONS

Mr. Anderson thanked the Mayor for drafting the letter to Commissioner Irwin on the North Douglas crossing. This has been something that has been a result of meetings with Mr. Menzis; Mr. Healy and Mr. Anderson met with him and this recommendation takes the next logical step forward. He also expressed his continuing concern that we take care that the $3 million that has been appropriated a couple of years back for the EIS and dredging doesn’t get lost or re-appropriated for something else.

Mr. Anderson asked how often the city receives sales tax data in light of Ms. Chambers’ questions on what would happen in the lack of money and some of the concerns from members of the public. Mr. Swope said they often receive information monthly although sometimes quarterly since that is how the businesses turn in their reports. Mr. Anderson said he would like to see a report of sales tax comparisons from Jan 07 to Jan 08.

Ms. Chambers said Deputy Clerk McEwen had provided her as Chair of the Human Resources Committee a report that the Performing Arts Center Commission officially expired in April 2007 and she asked what the Mayor’s intent with the commission could be clarified. Mayor Botelho stated that it had been the Assembly had extended the date of the original Performing Arts Center Commission. He hadn’t had a chance to circle back to the commission in terms of an extension. There has been some debate within the body about whether it has discharged its functions in its current configuration. Mayor Botelho said he was willing to commit to the Human Resources Committee the question as to whether they should be extended or not.

Ms. Chambers asked Mr. Swope for some clarification thinking about the public comment from the downtown bar industry. She asked Mr. Swope that since the Social Services Advisory Board Grant funds are derived from alcohol excise taxes, would it be reasonable to expect fewer revenues for the SSAB grant monies due to the bars’ loss of business as expressed earlier in the meeting during public testimony. Mr. Swope said that if what they heard tonight is true, and the bars are seeing a decline in their sales, the city will likely see a decline in revenue being generated which supports the programs through the SSAB grants.
Ms. Chambers asked for an update on how the ashtray issue is being resolved. Mr. Swope said they put those up to help the situation at the bar owners’ request. Those things are hit real hard on the weekends at night and he doesn’t pay the crews overtime to be out there emptying those on Saturday and Sunday mornings. The business owner is responsible to keep the sidewalk clean in front of their building. Prior to the boxes being there, people were littering them on the sidewalks or somewhere else. He said he isn’t sure that it is being resolved. He sent a letter saying, if there is any chance you can help us out, we’d appreciate it. They did not require them to do this, they don’t have the authority to do that. He said they could remove the containers if they are a problem.

Mr. Doll said in the course of debate over fluoridation last fall, there were a lot of comments made about alternative methods of application, different channels. He said his informal talks on this topic have produced nothing and he would like to say to the public, if there is someone who believes they have a solution to the problem, he would like to hear it. Secondly he said he has had occasion to visit with D.O.T. to discuss the Ferry schedule. He said that given the assets that D.O.T. has available, they have done the best they could, but having said that, he would stress that the assets made available to them are entirely inadequate. Second, he believes the ferry schedule is a Capitol move issue. Juneau’s access to the rest of the state impacts heavily on any Capitol move debate and any impairment for people’s ability to get to Juneau from any direction is a reflection on Juneau’s ability to serve that role and he feels that CBJ should be intensely interested in the adequacy of the ferry service provided in and out of Juneau in both directions. It is the best they can expect under the circumstances but he said he certainly doesn’t feel we should sit still for the current assets made available to the A.M.H.S.

Mr. Sanford said there have been two to three things in the last two or three weeks up on the hill where legislators are unsure or have the wrong idea or impression on what we, the Assembly, feel on a couple of major items. One is the Kensington Mine. There have been a number of derogatory statements made during their subcommittee meetings up there about the Assembly and about the City and Borough of Juneau people that they are against mining and that they are against roads, Juneau access. As the Assembly knows, we have both of those topics covered under resolutions in support of the Kensington Mine and we also have an amicus brief that we did in support of the Kensington Mine.

**MOTION** by Mr. Sanford to direct staff to send copies of those current resolutions in support of the Kensington Mine, the Juneau Access Road and a copy of the amicus brief to all 60 legislators. Hearing no objection, the motion carried.

**XIV. CONTINUATION OF PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

*Shane Williams, 6590 Glacier Highway.* Mr. Williams said 10 years ago the cab industry submitted to an ordinance that enforced and regulated all bodies of commercial passenger vehicles. Two years into that regulation, they gutted most of the regulations that required enforcement on all industries except the cab industry. Four years ago, they rewrote the ordinance that basically gutted more enforcement except for upon the cab industry. They submitted to that with the expectation and knowledge that they would have to pay fees. They paid those fees close to $300,000 amongst the three major companies in town. They have had no enforcement. At this point in time, the three company owners, Capital, Glacier, and Evergreen are reorganizing their driver association and coming to the Assembly and asking that they gut the ordinance. The Police Department does not want to enforce it. He said they had a comical meeting with Rod and one of the officers saying that he was going to ramp up enforcement. He said the cabs are the only ones out there right now in the commercial passenger vehicle industry so who are they going to ramp it up on? The cabs! There is no other topic in the regulations for enforcement except for on the cabs. They submitted to this with certain stipulations in there when they met with the Assembly ten years ago for 18 months trying to put together something that would work cooperatively, cohesively, and fairly for all groups. It was never enforced and then it was thrown out. Over the years, they have gutted any enforcement for anyone other than the cabs. They had a $300-500,000 industry with the crew members off the cruise ships that was handed to the shuttles. You can go down and sit and watch the shuttles hawk. We were told there would be hawking standards in which they would be
kept in their cars in and around the docks, which they are, and if they get out of their taxis they get a
ticket but then the shuttles come in and there is nothing done for enforcement to them. He said the
drivers association will be coming in to ask them to gut the ordinance. There is no reason for the police
department around enforcing it because they don’t do it and the cabs are paying a lot of money for
nothing.

Mr. Anderson asked for clarification. He asked Mr. Williams if what he is saying is that there will be a
letter from the cab companies saying they no longer want to have any regulation from the city. Mr.
Williams said, no they want regulation from the city, they just don’t feel that the money they are paying
worthwhile anymore. Mr. Anderson asked him to clarify what he means when he said he was going to
request the Assembly to gut the ordinance. Mr. Williams said that is specifically for enforcement. Mr.
Williams said what they will be submitting is a specific outline of regulations stated there with no
enforcement from the police department since currently the only enforcement being done is against the
cabs.

Dana Mansheen, 9365 Lakeview Court. Ms. Mansheen commented on JPD not enforcing certain
ordinances but that they sit outside the high school and ticketing high school students for MCs and
smoking tickets. She said that she wasn’t sure if it is a city or school board issue but she attends
Yaakoosgé Daakahidi High School and all the schools have a traffic school zone but the school zone
extends from JDHS to Harborview School and it ends before you reach Yaakoosgé. There is no traffic
zone but there is a four way stop but it appears that drivers there are not observing the pedestrian cross
walk and the school zone. She has also noticed that during the fire drills, teachers stand in the road and
stop traffic but the cars don’t pay attention to the fact that this is a school zone.

XV. EXECUTIVE SESSION

A. Airport Board Vacancy – Appointment

Mayor Botelho reported that they will recess into executive session to consider the applications for the
Airport Board and then they will reconvene in open session to take formal action.

MOTION by Mr. Wanamaker for the Assembly to enter executive session to review the airport board
applications. Mayor Botelho asked if there was anyone in the public that wished to comment on the propriety
of the Assembly entering into executive session. Hearing none, public participation was closed.

There being no objection the Assembly recessed into executive session at 8:09 p.m. The Assembly
reconvened from executive session at 8:23 p.m.

MOTION by Ms. Chambers that the Full Assembly sitting as the Human Resources Committee recommends to
the Assembly the appointment of Bill Peters to Airport Board. Hearing no objection, it was so ordered.

Mayor Botelho asked if there was anything else to come before the body.

Ms. Chambers suggested that the Assembly consider which nights of the week might work best for
committee meetings. She stated that her husband is in volunteer firefighter training every Wednesday
night, and it makes it difficult for their family to find child care and she asked if there are other nights
that might work better, possibly Thursday nights.

Mr. Bush commented that unless they start two months for now, he could probably do Thursdays but at
this time, due to their schedule, he has booked Thursdays and has made a point to have his travel dates
fall on Thursdays and Fridays when he has to travel for business due to the Assembly’s schedule. After
the next couple of months, he said Thursdays would work fine. On the other hand, Tuesdays would
work fine for him also but the only problem with that is that the school board meets that night. The
main conflict would be public conflict if there are public members who would like to be at both
meetings.
Mr. Anderson noted that the Planning Commission meets in the Chambers every other Tuesday night and on the off Tuesdays, they hold Committee of the Whole meetings.

Mr. Wanamaker said he is pretty flexible for Tuesdays and Thursdays but Wednesdays are also OK for him.

Mr. Anderson said if we are talking about a short term basis, he is much more flexible until next September. Once next September starts, then he starts having evening teaching conflicts but up until then he is open.

Ms. Chambers said they could look at the way this space is utilized as well as other major commitments such as the Planning Commission and School Board and perhaps occasionally try to plan a Tuesday night. Perhaps they can meet in City Hall Conference Room #224 when they are early on in the finance cycle as a suggestion to release a little of the Wednesday night pressure valve.

Mayor Botelho asked if Tuesdays would be OK with members. Mr. Bush said he was the one who raised the concern with Thursdays and it isn’t a weekly problem but more like a once a month issue so he can make his Thursday availability known as well if that would help.

Mr. Anderson asked Ms. Chambers if this is a short or long term issue. Ms. Chambers said this is most likely through March with the possibility of continuation with EMS training after that. Mayor Botelho asked if the body would allow him to work with the Clerk and Manager to review the meeting schedules and try to accommodate some of the meeting changes requested.

Mr. Anderson said on the meeting for next Wednesday, one of the key elements of this was the 70% reimbursement. He asked if we know whether that will continue for the next year. Ms. Chambers said she communicated with Representative Kerttula’s office and she indicated that it will sunset in November of this year but she hasn’t ascertained as to whether there is an initiative to continue it. Mayor Botelho said the common wisdom is that it will be extended due to this being an election year, although, it may be smaller than originally anticipated.

XVI. ADJOURNMENT – 8:30p.m.

Signed:_______________________________   Signed:_______________________________
Beth McEwen, Deputy Clerk     Bruce Botelho, Mayor
MEMORANDUM

TO: Rod Swope
   City Manager

FROM: Roger Healy
   Engineering Director

RE: October 2007 Regular Election – Proposition One
   One Percent Sales Tax Proposed Allocation - FY 2009 – FY 2014

In October 2007, Juneau voters approved Proposition One, extending the “1% Sales Tax” until September 2014. The revenues from this tax will fund airport terminal expansion, a new public works shop, sewer expansion, harbor improvements, building maintenance, and school debt reimbursement. The Voter Informational packet gave general annual allocations of funding (i.e., $2 million/year to City Shop). This memo recommends a plan for allocating expected sales tax revenues to the capital projects between FY2009 and FY2014.

Airport and Public Works Shop
The airport terminal expansion and the new public works shop do not lend themselves well to smaller phased projects and are thereby very susceptible to lost value from inflationary increases if delayed by several years. CBJ staff promotes a financing plan that constructs these two projects early in the FY09-FY14 funding cycle.

Airport staff have identified a need of $5.5 million to round out the ~$11M construction cost of the Airport Terminal expansion expected to be bid ready in November 2008 (FY 2009). Similarly, the Combined Public Works facility should be bid-ready by October 2008 for ‘Priority One’ construction, if an FY2009 appropriation of $8.5M is forthcoming.

To meet a large FY 2009 commitment, staff is recommending the use of Tax Anticipation Notes (TAN). The TAN allows a municipality to secure the following fiscal year’s (FY 2010) sales tax revenue within the existing fiscal year (FY 2009). Thus, to forward these two projects in FY 2009, the CBJ would recommend issuance of a TAN for approximately $7M of FY 2010 sales tax revenues.

The Airport Terminal would be funded by $3.5M of FY 2009/2010 sales tax revenues and $2.0M of excess sales tax revenue from the January, 2001 – December, 2005 ‘1%’ sales tax revenues for a total allocation of $5.5M. During FY 2013, the CBJ would not allocate $2M of ‘1%’ sales tax to the Airport Terminal, thus making that $2M of excess funding available at that time for Assembly discretion.

Harbors
The Port Director states that the $5 million of ‘1%’ sales tax revenues designated for Statter Harbor improvements are not needed until FY 2011, after completion of an environmental document. The FY 2011 lump sum allocation of $5M to Harbors meets their needs and schedule.

Sewer Expansion
If the current sewer construction expenditures fall short of the FY06-FY09 “1%” sales tax revenues, the CBJ can keep sewer expansion underway through ADEC loans. Between March 2008 and November 2010, the CBJ will have sewer projects underway on the North Douglas, Areas D, F, and E. During the same time, West Valley sewer construction will include the ‘trunkline’, the industrial side streets, and a sewer line up Pedersen Hill. Although property assessments have fallen short of expectations, state grants have supplemented the sewer expansions well. Without knowing exact construction costs of the above sewer projects or future state grant success, there may be a need for
supplemental funding prior to FY11 for design of the remainder of North Douglas and Mendenhall Peninsula. If this is the case, the CBJ will apply for ADEC loans to cover the difference. The interest rates on the loans are very favorable, the current ADEC grant program gives points to municipalities that fund a portion of their project through loans, and the amount needed to fund the design of these new projects is approximately ten to fifteen percent of the total project cost. The CBJ would use sales tax revenues from FY11-FY14 to establish a sinking fund to pay off the loan amounts, if there is indeed a need for the loans.

**School Debt and Building Maintenance**
The school debt obligation and the building maintenance project align well with the proposed annual allocation of monies set forth in the Voter Information Pamphlet. On average, the allocations will be $800,000 per year to each project.

If you have any questions, give a call.

cc: Kim Kiefer, Deputy City Manager
    Craig Duncan, Finance Director
### One Percent Sales Tax Proposed Allocation

<table>
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Projected Sales Tax Revenues = $5.74 + $8.3 + $8.6 + $8.9 + $9.2 + $2.94 = $43.6

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1 CBJ issues Tax Anticipation Note (TAN) in FY 2009. The TAN allows encumbrance of next fiscal year’s (FY 2010) revenues in the current year (FY 2009), allowing a total potential distribution of a total of $5.74M + $8.3M = $14.04M in FY 2009. The TAN, along with the appropriation of $2M in FY 2001 - 2005 excess sales tax allows both projects (Airport Terminal and City Shop) to proceed on a faster track, thereby not losing value to inflation.

2 CBJ appropriates $2 M in 2001 - 2005 excess "1%" sales tax to Airport Terminal project to bring total FY 2009 Airport Terminal allocation to $5.5M. In FY 2012, Airport Terminal does not collect $2M. The $2M surplus of FY 2012 funds are distributed at that time.

3 CBJ issues Tax Anticipation Note (TAN) in FY 2010 for approximately $800,000 of FY 2011 monies to fund Building Maintenance and School Debt.